

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at City Hall, 110 West Aztec Avenue, at 6:00 p.m. on Tuesday, August 25, 2015.

The meeting was called to order by Mayor Jackie McKinney.

Upon roll call, the following were present:

Mayor:	Jackie McKinney
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Councilors:	Linda Garcia Allan Landavazo Yogash Kumar Fran Palochak
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Also present:	Maryann Ustick, City Manager George Kozeliski, City Attorney
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Presented to the Mayor and Councilors were the Minutes of the Regular Meeting of August 11, 2015.

Councilor Palochak made the motion to approve the August 11, 2015 Regular Meeting Minutes. Seconded by Councilor Kumar. Roll call: Councilors Palochak, Kumar, Garcia, Landavazo, and Mayor McKinney all voted yes.

Councilor Kumar made the motion to move Item E, Comment from Mr. Titus Nez, President of the Gallup McKinley County School Board, to the top of the agenda. Seconded by Councilor Landavazo. Roll call: Councilors Kumar, Landavazo, Palochak, Garcia, and Mayor McKinney all voted yes.

Mr. Nez apologized to the Mayor, Councilors and the community for his comments about Gallup residents being racists following the August 17, 2015 School Board Meeting. Mr. Nez said he made his comments in the "heat of the moment" and his comments were directed to a certain group of individuals who were in attendance at the School Board Meeting.

Presented to the Mayor and Councilors were the following Discussion/Action Topics:

1. Grant of Easements to the City of Gallup for Reach 27.6, Project #6 of the Navajo Gallup Water Supply Project – George Kozeliski, City Attorney

Mr. Kozeliski presented two Grants of Easement from the City of Gallup to itself to encumber land to be subject to the Navajo Gallup Water Supply Project (NGWSP). The Grants of Easements are for the eastern reach of the NGWSP.

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Councilor Garcia made the motion to approve the easements to the City of Gallup for Reach 27.6, Project #6 of the Navajo Gallup Water Supply Project. Seconded by Councilor Kumar. Roll call: Councilors Garcia, Kumar, Landavazo, Palochak, and Mayor McKinney all voted yes.

### 2. Water Service Agreement with Ronald E. Silva and Deanna D. Silva – George Kozeliski, City Attorney

Mr. Kozeliski said the City may not provide water service outside the city limits except under certain conditions according to City ordinance. One of the conditions is when a landowner provides an easement, or a well site, or other benefit to the City to bring water into the City's system. Ronald and Deanna Silva are the current owners of property immediately outside of the City limits and have requested water and waste water services from the City. The Silva's predecessor in title, Gallup Gamera Coal Company, provided an easement to the City of Gallup for the main water line into Gallup for the Yah-ta-hey well field. Mr. Kozeliski said the Silva's are entitled to receive water and waste water services from the City and recommended approval of the proposed water service agreement.

Councilor Kumar made the motion to approve the Water Service Agreement with Ronald E. Silva and Deanna D. Silva. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Landavazo, Palochak, and Mayor McKinney all voted yes.

### 3. Fiscal Year 2016 Lodger's Tax Funding for Events – Patty Holland, Chief Financial Officer

Ms. Holland presented the requests for lodger's tax funding for advertising and promoting the following events: \$5,000 for the Great Gatsby Bow Meow and \$2,000 for Red Rock Trailer Roping. The Lodger's Tax Committee reviewed the requests and recommended the allocation of \$900 for the Great Gatsby Bow Meow and \$1,000 for Red Rock Trailer Roping. Ms. Holland said the Committee based their recommendations on the advertising budget for the Great Gatsby Bow Meow event and that the Red Rock Trailer Roping event was a one-day event.

Discussion followed concerning the process of disseminating information to event organizers concerning the proper use of lodger's tax funds, which must be used only for the advertising and promotion of events. The proposed allocations of lodger's tax funds for both events to amounts greater than what was recommended by the Lodger's Tax Committee was also discussed.

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Following discussion, Councilor Palochak made the motion to allocate \$1,500 in lodger's tax funding for the Great Gatsby Bow Meow and \$2,000 for Red Rock Trailer Roping events. Seconded by Councilor Landavazo. Roll call: Councilors Palochak, Landavazo, Garcia, and Mayor McKinney all voted yes. Councilor Kumar abstained. Motion carried.

#### 4. Budget Adjustment for Increased Prisoner Care Costs at the Adult Detention Center – Patty Holland, Chief Financial Officer

Ms. Holland presented the request for the budget adjustment due to a cost overrun at the end of Fiscal Year 2015 in operating the Adult Detention Center. The cost overrun is due to the loss of outside contracts for housing prisoners from other entities. The City is responsible for 30% of the cost of running the jail and the County is responsible for the remaining 70%. Ms. Holland recommended approval of an increase to the City's budget in the amount of \$515,502 to cover the City's share of the costs at the jail.

Bill Lee, McKinley County Manager, said the County's is responsible for about \$1.2 million as measures to reduce expenses at the jail have already been taken, including a reduction in force of employees. One of the options being considered is to improve the programs for prisoners at the jail which will help to bring back outside contracts for housing prisoners; primarily, the contract with the Bureau of Indian Affairs. Based on a visit to the Coconino Detention Center in Flagstaff, Arizona, by Mr. Lee and Councilor Palochak, Mr. Lee reported on Exodus, a 90-day substance abuse treatment program for their inmates. He said 68% of the inmates who have participated in the Exodus program at the Coconino facility have not been re-arrested for any violations over a three-year period. As a result, the Jail Authority Board directed Mr. Lee and County staff to look at ways to implement the Exodus program at the jail.

Discussion followed concerning the Exodus program including the grant funding that is available for the program and the length of time needed to implement the program. The existing programs at the McKinley County Adult Detention Center were also discussed.

Following discussion, Councilor Palochak made the motion to approve the budget adjustment for the increased prisoner care costs at the Adult Detention Center. Seconded by Councilor Kumar. Councilors Kumar, Garcia, Landavazo, and Mayor McKinney all voted yes. Councilor Palochak abstained. Motion carried.

#### 5. Asset Management Plan Phase I Proposal – Stan Henderson, Public Works Director

Mr. Henderson presented a proposal from CDM Smith for asset management planning

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services to assess the condition of the City's existing inventory of its capital assets. If the proposal is approved, the first phase of the plan is expected to be completed by next October or November. The cost of the proposal from CDM Smith is \$71,822.00 plus New Mexico Gross Receipts Tax which has been fully funded for Fiscal Year 2016 under the City's Community Improvement Plan.

Councilor Landavazo asked if the proposal would address a previous audit finding. Ms. Ustick said a basic inventory of the City's assets has already been completed by the City's auditors; however, the proposed asset management plan would fulfill the requirements by the Water Trust Board and other state agencies to assess the condition of the City's assets and to establish a plan for future rehabilitation and replacement of the assets. The entire process will be conducted during the next three years.

Councilor Palochak asked if all of the City's curbs, gutters and sidewalks would be assessed under the proposed plan. Mr. Henderson responded yes.

Councilor Landavazo made the motion to approve the Asset Management Plan Phase I Proposal. Seconded by Councilor Garcia. Roll call: Councilors Landavazo, Garcia, Kumar, Palochak, and Mayor McKinney all voted yes.

6. Resolution No. R2015-25; Water Trust Board (WTB) #334 Loan Repayment Certification – Vince Tovar, Gallup Water and Sanitation Director

Mr. Tovar provided an overview of the work to be done with the proceeds of WTB #283 Water Project Fund Loan/Grant for Project 6, Reach 27.6 of the Navajo Gallup Water Supply Project (NGWSP). He also provided a summary of the work to be done under WTB #334 Water Project Fund Loan/Grant for Reach 27.7a and 27.13 of the NGWSP. The proposed Resolution would certify the City's intent to repay any New Mexico Water Trust Board loan associated with WTB #334 Water Project Fund Loan/Grant. Mr. Tovar said he will request a time extension from the New Mexico Water Trust Board to utilize \$1 million in outstanding funds for the NGWSP. He also proposes to skip WTB funding in 2016 to complete and evaluate the construction of current projects of the NGWSP.

Councilor Landavazo made the motion to approve Resolution No. R2015-25. Seconded by Councilor Palochak. Roll call: Councilors Landavazo, Palochak, Kumar, Garcia, and Mayor McKinney all voted yes.

Councilor Kumar made the motion to adjourn into closed session for the purpose of discussing the acquisition of real property. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Landavazo, Garcia, and Mayor McKinney all voted yes.

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The Mayor and Councilors adjourned into closed session pursuant to §10-15-1-H(8) NMSA 1978 Comp. (as revised).

Following the closed session, Councilor Palochak made the motion to reconvene the Regular Meeting. Seconded by Councilor Landavazo. Roll call: Councilor Palochak, Landavazo, Kumar, Garcia, and Mayor McKinney all voted yes.

Mr. Kozeliski certified for the record that the matters discussed during the closed session were limited to the possible acquisition of real property.

### **Comments by Public on Non-Agenda Items**

None.

### **Comments by Mayor and City Councilors**

Councilor Palochak said her granddaughter made the star-shaped origami that was placed in front of the Mayor and Councilors. She said her granddaughter attended the last regular meeting and considers the Mayor and Councilors the stars of the City of Gallup. Councilor Palochak said she attended the City and County haz-mat training exercise on August 18, 2015 and observed how the Gallup Fire Department played a major part in the exercise. She was impressed with the work of the Gallup Fire Department, Gallup Police Department and other agencies that responded to the exercise. Councilor Palochak also participated in the Downtown Revitalization Workshop which took place this past weekend. Councilor Palochak said she will have a neighborhood meeting on Thursday, August 27, 2015 at Tobe Turpen Elementary School at 6:00 p.m.

Councilor Landavazo thanked City staff and members of the community for their attendance and participation during the Downtown Revitalization Workshop for the Metropolitan Redevelopment Area. Councilor Landavazo also thanked Richard Matzke, Electric Department Director, and his crews for their work in restoring power overnight following a thunderstorm this past weekend. Councilor Landavazo also invited everyone to attend the dedication of a Habitat for Humanity home to a family on Thursday, August 27, 2015 at 1:00 p.m. The home is located at Chamisal Avenue and Marcella Circle. Councilor Landavazo also reminded everyone to buy, believe and build the community.

Councilor Kumar said it was an exciting weekend in Gallup for community members to participate in the Downtown Revitalization Workshop. He said the community has an opportunity to develop downtown Gallup and to have a place where people can gather. He said the reason for acquiring the Alpine Lumber property is to complement the downtown businesses by increasing foot traffic in the area.

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Councilor Garcia said she will not have a North Side Neighborhood Meeting tomorrow evening. As an alternative, she encouraged everyone in her district to attend a public meeting on the proposed Skate Park on Wednesday, August 26, 2015 at 6:00 p.m. at the Second Street El Morro Events Center.

Mayor McKinney said Gallup was fortunate to host meetings with two prominent State committees last week. He thanked Jackson Gibson, District 6 New Mexico Department of Transportation (NMDOT) Commissioner, for inviting the NMDOT Commission to Gallup to hold their meeting. Mayor McKinney also commended Gallup resident Jeremiah Herrera for being named NMDOT Employee of the Year. The State Indian Affairs Committee also held their meeting in Gallup last week with legislators from around the state being in attendance. The primary areas of discussion during the meeting were issues pertaining to education.

### **Comments by City Manager**

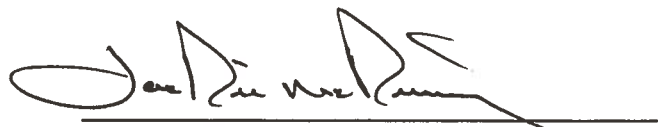
Ms. Ustick thanked the Mayor and Councilors for their comments on the Downtown Revitalization Workshop and the work being done on a combined Metropolitan Redevelopment Area and Arts and Cultural District Plan. A conceptual plan will be presented to the community in November and the plan will be presented to the Mayor and Councilors for final approval in December. Regarding the City's Odor Abatement Program, Ms. Ustick said there was a delay in the transportation of sludge from the Waste Water Treatment Plant to the regional landfill. She was advised by Mr. Tovar that the delay was due to unforeseen issues related to the digester piping and valve rehabilitation project at the plant. She said Mr. Tovar expects the transportation of sludge to the regional landfill to begin next week.

There being no further business, Councilor Palochak made the motion to adjourn the meeting. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Landavazo, and Mayor McKinney all voted yes.



ATTEST:

  
Alfred Abeita II, City Clerk



Jackie McKinney, Mayor